

Office of Finance

Department of Planning and Budget

Reduce and reassign staff positions

This strategy will eliminate four classified positions in FY 2003 with the reduction of another six classified positions in FY 2004. With the loss of these positions, the agency will reassign existing staff resources to ensure that essential operations are properly staffed. Three layoffs are possible prior to the end of the biennium.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$212,824	\$0	-\$501,072	\$0

Reduce nonpersonal services

This strategy reduces nonpersonal services that include employee training, conferences, computer purchases, and on-site agency visits.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$120,147	\$0	-\$108,592	\$0

Reduce wage funding

Funding for wage positions will be reduced across-the-board including analytical assistance, budget document preparation, data processing, and legislative coordination.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$6,023	\$0	-\$12,689	\$0

Total for Department of Planning and Budget

	FY 2003		FY 2004	
	General fund	Nongeneral fund	General fund	Nongeneral fund
Reduction base	\$5,094,991	\$0	\$5,186,278	\$0
Reduction amount	-\$338,994	\$0	-\$622,353	\$0
Pre- payment	-\$170,505			
Percent reduction	10.0%	--	12.0%	--

These amounts result in a cumulative reduction of 10 positions and 3 layoffs

Department of Accounts

Eliminate or reduce certain services and programs

This strategy will eliminate external publishing, reduce accounts receivable reporting, reduce Form 1099 reporting, reduce manual check processing, eliminate internal employee training programs, eliminate Federal Information Processing Standards reporting, reduce systems development and support, eliminate data entry of deposit certificates for local Treasurers, eliminate the external financial management training program, reduce the agency's projects/procedures/reports capacity, and reduce the disbursements review programs. A total of 12 positions (nine filled) will be eliminated.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$206,699	\$0	-\$702,991	\$0

Increase nongeneral fund support for the Payroll Service Bureau

This strategy will increase transfers from nongeneral funds to the general fund to cover costs associated with the Payroll Service Bureau. The amounts agencies will be charged will be based on the Department of Account's actual costs to process each agency's payroll.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$112,451	\$0	-\$112,451	\$0

Recover a portion of the costs associated with certain miscellaneous payroll deductions

The agency will recover a portion of the costs associated with savings bond and miscellaneous insurance payroll deductions.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$67,500	\$0	-\$135,000	\$0

Total for Department of Accounts

	FY 2003		FY 2004	
	General fund	Nongeneral fund	General fund	Nongeneral fund
Reduction base	\$8,476,874	\$0	\$8,612,013	\$0
Reduction amount	-\$386,650	\$0	-\$950,442	\$0
Pre- payment	-\$225,000			
Percent reduction	7.2%	--	11.0%	--

These amounts result in a cumulative reduction of 12 positions and 9 layoffs

Department of the Treasury

Charge an administrative fee for the State Non-Arbitrage Program

Treasury provides general oversight of the State Non-Arbitrage Program for the Treasury Board, which includes administering service-provider contracts. The administrative fee will recover the costs of providing these services.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$37,500	\$0	-\$50,000	\$0

Eliminate a cash management position

The agency will eliminate funding for a vacant cash management position. The position was created to conduct more complex bank compensation initiatives to enhance interest income and maintain proper cash flow through the state's bank accounts.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$68,284	\$0	-\$68,284	\$0

Eliminate a senior debt manager position

The agency will eliminate a vacant debt manager position. The position was provided to the agency in order to address the increasing workload associated with the Commonwealth's debt financings. Existing staff will share an increased workload.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$69,749	\$0	-\$71,766	\$0

Eliminate confidential assistant position

The agency will eliminate a confidential assistant. This position serves as the assistant for the State Treasurer. The responsibilities of this position will be transferred to another assistant.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$26,985	\$0	-\$26,985	\$0

Eliminate one position in the operations division

The agency will eliminate one position in the operations division. This division is responsible for agency operations, trust accounting, bank reconciliation, check processing, and issued check services. The responsibilities of the position eliminated will be spread to remaining staff.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
\$0	\$0	-\$50,000	\$0

Eliminate senior accountant position

The agency will eliminate a vacant senior accountant position. The functions of this position will be absorbed by remaining trust accounting staff. Such functions include financial reporting for the Virginia College Building Authority, agency accounting for Treasury and the Treasury Board, and Treasury Board debt payment processing.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$40,824	\$0	-\$42,531	\$0

Privatize central mail service

Effective October 1, 2002, the agency's central mail service to barcode and presort first-class letter mail for state agencies in the Richmond area was outsourced to a private vendor. The agency will generate savings from reducing staff and operating costs necessary to provide this service. State agencies using the outsourced service will benefit from slightly lower postage costs.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$47,098	\$0	-\$50,000	\$0

Recover insurance collateral administrative costs

Starting in FY 2003, Treasury will fully recover its costs to administer the outsourced insurance collateral safekeeping contract as allowed by the Code of Virginia. Insurance companies, as part of conducting business in the state, are required to deposit collateral with the Commonwealth. The agency is responsible for administering the safekeeping of that collateral.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$14,000	\$0	-\$28,000	\$0

Reduce check printing volumes

The agency will generate savings by reducing the volume of general warrant and tax refund checks due to continued use of small purchase credit cards, electronic payments, and direct deposit of tax refunds.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$20,000	\$0	-\$55,000	\$0

Reduce discretionary spending for miscellaneous office supplies and services

The agency will generate savings by eliminating select memberships, reducing paper costs through electronic communications, and eliminating select courier and telecommunications expenses.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$12,902	\$0	-\$10,000	\$0

Transfer debt management administrative support position to a nongeneral fund division

The agency will transfer this position to a nongeneral fund activity of the agency. The administrative support functions in debt management will be primarily absorbed by Treasury's debt analysts.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$26,876	\$0	-\$39,213	\$0

Transfer internal audit manager position to a nongeneral fund division

The agency will transfer an internal audit employee to a nongeneral fund activity of the agency and eliminate one of two internal audit positions in the agency. This will result in a reduction in Treasury's audit program.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$33,407	\$0	-\$33,407	\$0

Total for Department of the Treasury

	FY 2003		FY 2004	
	General fund	Nongeneral fund	General fund	Nongeneral fund
Reduction base	\$3,450,838	\$0	\$3,501,241	\$0
Reduction amount	-\$397,625	\$0	-\$525,186	\$0
Pre- payment	-\$120,000			
Percent reduction	15.0%	--	15.0%	--

These amounts result in a cumulative reduction of 5 positions and 4 layoffs

Department of Taxation

Close district offices, reorganize department and eliminate extended customer service hours

The department will develop a plan to close all of its district offices with the exception of the Norfolk office, which serves as a back-up call center. Auditors and collectors currently assigned to these offices will work out of their homes. The department will also eliminate nine selected administrative and other positions by combining or eliminating functions and will eliminate the extended hours of operation for telephone and walk-in customer service during the peak individual income tax filing season.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
\$281,302	\$0	-\$775,553	\$0

Delay implementation of the toll-free telephone service

This strategy will delay the implementation of the general toll-free telephone service that was funded by the 2002 General Assembly.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$880,105	\$0	-\$200,000	\$0

Eliminate accelerated refund keying

This strategy will eliminate the keying of direct filed individual income tax accelerated refunds. This process was only scheduled to be used on an as-needed basis during the peak filing season.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$35,797	\$0	-\$35,797	\$0

Eliminate Telefile

The department will eliminate the automated telephone filing system currently used for simple individual income tax filings beginning in FY 2004.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
\$0	\$0	-\$83,958	\$0

Eliminate the distribution of tax forms at libraries

The department will eliminate the distribution of income tax forms to public libraries during the income tax filing season. Tax forms will continue to be available via the Internet from the Tax Department's website, as well as from the offices of local Commissioners of the Revenue and Treasurers.

FY 2003		FY 2004	
General fund	Nongeneral fund	General fund	Nongeneral fund
-\$114,465	\$0	-\$114,465	\$0

Eliminate toll-free service

The department will eliminate the toll-free telephone service for tax practitioners, automated collection plans, checking refund status, returning collections calls, and other users.

	FY 2003		FY 2004	
	General fund	Nongeneral fund	General fund	Nongeneral fund
	-\$63,582	\$0	-\$79,821	\$0

Total for Department of Taxation

	FY 2003		FY 2004	
	General fund	Nongeneral fund	General fund	Nongeneral fund
Reduction base	\$7,293,444	\$0	\$8,449,379	\$0
Reduction amount	-\$812,647	\$0	-\$1,289,594	\$0
Pre- payment	-\$281,412			
Percent reduction	15.0%	--	15.3%	--

These amounts result in a cumulative reduction of 24 positions and 27 layoffs

Secretary of Finance

Reduce funding through operational efficiencies

The office will institute operational efficiencies to achieve its savings.

	FY 2003		FY 2004	
	General fund	Nongeneral fund	General fund	Nongeneral fund
	-\$34,463	\$0	-\$47,003	\$0

Total for Secretary of Finance

	FY 2003		FY 2004	
	General fund	Nongeneral fund	General fund	Nongeneral fund
Reduction base	\$457,094	\$0	\$465,390	\$0
Reduction amount	-\$34,463	\$0	-\$47,003	\$0
Pre- payment	-\$11,911			
Percent reduction	10.1%	--	10.1%	--

These amounts do not result in position level reductions or layoffs

Total for the Office of Finance

	FY 2003		FY 2004	
	General fund	Nongeneral fund	General fund	Nongeneral fund
Reduction base	\$24,773,241	\$0	\$26,214,301	\$0
Reduction amount	-\$1,970,379	\$0	-\$3,434,578	\$0
Pre- payment	-\$808,828			
Percent reduction	11.2%	--	13.1%	--

These amounts result in a cumulative reduction of 51 positions and 43 layoffs